## **ELLIS: LAWHORNE**

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August 7, 2006

## FILED ELECTRONICALLY AND BY FIRST-CLASS MAIL SERVICE

The Honorable Charles L.A. Terreni

Chief Clerk

South Carolina Public Service Commission

Post Office Drawer 11649

Columbia, South Carolina 29211

RE:

Application of Acceris Management and Acquisition LLC and First Communications, LLC for (i) Authority for First Communications, LLC to Provide Resold Interexchange Telecommunications Services throughout the State of South Carolina and for (ii) Approval of the Transfer of Assets, including Customers, of Acceris Management and Acquisition LLC to

First Communications, LLC

Docket No. 2006- -C, Our File No. 1202-11380

Dear Mr. Terreni:

Enclosed is the original and one copy of the Motion for Protective Treatment and Basis for Filing Exhibit D as Trade Secret filed on behalf of Acceris Management and Acquisition LLC and First Communications, LLC in the above-referenced matter.

Please acknowledge your receipt of this document by file-stamping the copy of this letter enclosed, and returning it in the enclosed envelope.

If you have any questions or need additional information, please do not hesitate to contact me.

Very truly yours,

Jemal,

John J. Pringle, Jr.

JJP/cr

cc:

Office of Regulatory Staff Legal Department

Mr. Joseph R. Morris

Katherine E. Barker Marshall, Esquire

Enclosures

THIS DOCUMENT IS AN EXACT DUPLICATE OF THE E-FILED COPY SUBMITTED TO THE COMMISSION IN ACCORDANCE WITH ITS ELECTRONIC FILING INSTRUCTIONS.

# BEFORE THE STATE OF SOUTH CAROLINA PUBLIC SERVICE COMMISSION

Joint Application of	)
Acceris Management and Acquisition LLC	)
and	) ) ) Da chest Na
First Communications, LLC	) Docket No
for (i) Authority for First Communications,	)
LLC to Provide Resold Interexchange	) '
Telecommunications Services throughout	)
the State of South Carolina and (ii) Approval of	)
the Transfer of Assets, including Customers,	)
of Acceris Management and Acquisition LLC	)
to First Communications, LLC	)

# MOTION FOR PROTECTIVE TREATMENT AND BASIS FOR FILING EXHIBIT D AS TRADE SECRET

#### Introduction

First Communications, LLC ("First Communications") and Acceris Management and Acquisition, LLC ("Acceris") (collectively "Applicants"), by its attorneys and pursuant to S.C. Code Ann. § 39-8-10, et seq., and all other applicable rules, statutes and regulations, hereby files this Motion for Protective Treatment ("Motion") in the above-captioned proceeding. By this Motion, the Applicants seeks protective treatment by the South Carolina Public Service Commission ("Commission"), of certain commercially-sensitive financial statements attached as Exhibit D, filed as Trade Secret to the Application for Authority for First Communications to Provide Resold Interexchange

Telecommunications Services in the State of South Carolina and for Approval of the Transfer of Assets, including Customers of Acceris to First Communications ("Application"). Because this Motion is an inseparable part of the Application, it is being filed concurrently therewith.

In support of this Motion, the Applicants provides the following:

The exact legal name, address and telephone number of the Applicants are:

FIRST COMMUNICATIONS, LLC 3340 WEST MARKET STREET AKRON, OH 44333

AND

ACCERIS MANAGEMENT AND ACQUISITION LLC 9530 PADGETT STREET, SUITE 101 SAN DIEGO, CA 92126

2. Correspondence or communications regarding this Motion should be

### addressed to:

John J. Pringle, Jr. Benjamin A. Traywick ELLIS, LAWHORNE & SIMS, P.A. 1501 Main Street, Suite 500 P.O. Box 2285 Columbia, South Carolina 29202 Telephone: (803) 779-0066 Facsimile: (803) 799-8479

and

Katherine E. Barker Marshall KELLEY DRYE AND WARREN, LLP 3050 K Street NW, Suite 400 Washington, DC 20007 Tel. (202) 342-8519 Fax (202) 342-8451

#### with a copy to:

Mary Cegelski FIRST COMMUNICATIONS, LLC 15166 Neo Parkway Garfield Heights, OH 44128 Telephone: (216) 468-1614

Facsimile: (216) 468-1680

E-Mail: mcegelski@firstcomm.com

Drew S. Backstrand, General Counsel Acceris Management and Acquisition LLC

60 South Sixth Street, Suite 2535

Minneapolis, Minnesota 55402

Telephone: (612) 465-0265

Facsimile: (612) 455-1022

#### Ĭ. **Description of Confidential Information.**

3. The Application requires the First Communications to disclose evidence of financial fitness through the submission of documentation of its financial resources and ability to provide the requested service. In conformity with this requirement, the Applicants submit copies of its financial statements, including audited financial statements of First Communications. These documents contain highly confidential and strictly proprietary information, the public disclosure of which may result in direct, immediate and substantial harm to the competitive position of the Applicant in South Carolina and elsewhere.

#### II. Grounds for Claim of Confidentiality.

- 4. First Communications is presently immune from a legal obligation to prepare or submit projected financial statements, or any other financial information, to any public entity. As such, the financial statements attached as Exhibit D to the Application are not readily available to persons external to First Communications.
- 5. Because the projected financial statements submitted by First Communications in support of the Application contain confidential and commercially-sensitive information from which its competitors may derive economic value, First Communications seeks to protect such material from public disclosure. First Communications derives independent economic value from the fact that significant, detailed and proprietary information regarding its financial structure and current financing activities is unknown to its competitors. As such, the Company's financial statements are a "trade secret" as that term is used in the South Carolina Trade Secrets Act. S.C. Code Section 39-8-20(5). Given this fact, the disclosure of this information could provide existing and potential competitors, including interexchange

carriers ("IXCs") in South Carolina, as well as in other states in which First Communications provides or intends to provide telecommunications service, with an unfair and undeserved competitive advantage.

6. First Communications clarifies herein that its request for protection applies only to the documents attached as *Exhibit D* to the Application. First Communications is not seeking protection of any type for those reports First Communications is required to file with the Office of Regulatory Staff ("ORS") should the relief sought in the Application be granted: the Annual Report Form, Gross Receipts Report, and Universal Service Fund Worksheet.

#### Conclusion

7. The audited financial information included in support of Application, for which Confidential Treatment is sought, is both proprietary and competitively-sensitive. The substantial and direct harm that could be caused to First Communications as a result of any disclosure is real and not speculative. Moreover, to date, no other jurisdiction or governmental agency has required First Communications to make this information available to the public. For all of these reasons, the projected financial statements attached as *Exhibit D* to the Application should be protected from public disclosure by the Commission.

WHEREFORE, First Communications, LLC and Acceris Management and Acquisition, LLC respectfully requests that the South Carolina Public Service Commission grant this Motion for Protective Treatment with respect to the audited financial statements attached as *Exhibit D* to the Application for Authority for First Communications to Provide Resold Interexchange Telecommunications Services in the State of South Carolina and for Approval of the Transfer of Assets, including Customers of Acceris to First Communications, and filed *under seal* as Confidential in this proceeding.

Respectfully submitted,

FIRST COMMUNICATIONS, LLC AND ACCERIS MANAGEMENT AND ACQUISITION LLC

John J. Pringle, Jr.

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And

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Their Attorneys

Dated:

August 7, 2006